

Senate Bill No. 1122

CHAPTER 638

An act to amend Sections 10507.7 and 10516 of the Public Contract Code, relating to public contracts.

[Approved by Governor September 30, 2010. Filed with
Secretary of State September 30, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1122, Wright. Public contracts: University of California: competitive bidding and employment.

Existing law requires the Regents of the University of California, except as provided, to let all contracts involving an expenditure of more than \$50,000 annually for goods and materials be sold to the University of California to the lowest responsible bidder meeting specifications, or to reject all bids. Existing law also requires contracts for services to be performed, other than personal or professional services, involving an expenditure of \$50,000 or more annually to be made or entered into with the lowest responsible bidder meeting specifications, or else to reject all bids.

This bill would increase the amount for which the above contracts must meet lowest responsible bidder specifications to contracts involving an expenditure of more than \$100,000 annually.

Existing law prohibits officers or employees of the University of California from engaging in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest if that employment, activity, or enterprise is sponsored or funded by a university department or contract, unless it is within the scope of the officer's or employee's regular university employment. Existing law exempts from that provision officers or employees of the university with teaching or research responsibilities.

This bill would also exempt student employees who receive payment for additional campus activities or engagements outside of the scope of their primary university employment.

The people of the State of California do enact as follows:

SECTION 1. Section 10507.7 of the Public Contract Code is amended to read:

10507.7. Except as provided for in this article, the Regents of the University of California shall let all contracts involving an expenditure of more than one hundred thousand dollars (\$100,000) annually for goods and

materials to be sold to the University of California to the lowest responsible bidder meeting specifications, or else reject all bids. Contracts for services to be performed, other than personal or professional services, involving an expenditure of one hundred thousand dollars (\$100,000) or more annually shall be made or entered into with the lowest responsible bidder meeting specifications, or else all bids shall be rejected. If the regents deem it to be for the best interest of the university, the regents may, on the refusal or failure of the successful bidder for materials, goods, or services to execute a tendered contract, award it to the second lowest responsible bidder meeting specifications. If the second lowest responsible bidder fails or refuses to execute the contract, the regents may likewise award it to the third lowest responsible bidder meeting specifications.

SEC. 2. Section 10516 of the Public Contract Code is amended to read:

10516. No officer or employee of the University of California shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or in which the officer or employee has a financial interest if that employment, activity, or enterprise is sponsored or funded, or sponsored and funded, by any university department through or by a university contract unless the employment, activity, or enterprise is within the course and scope of the officer's or employee's regular university employment. No officer or employee in the university shall contract on his or her own individual behalf as an independent contractor with any university department to provide services or goods. This section shall not apply to officers or employees of the university with teaching or research responsibilities, nor shall it apply to student employees for payment for additional campus activities or engagements outside of the scope of their primary university employment.